

Message Text

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INFO OCT-01 IO-13 ISO-00 AID-05 CEA-01 CIAE-00 COME-00
EB-08 EA-10 FRB-03 INR-10 NEA-10 NSAE-00 ICA-11
OPIC-03 SP-02 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 SS-15 NSC-05 /115 W
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R 231333Z AUG 78
FM AMEMBASSY MADRID
TO SECSTATE WASHDC 5833
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY LISBON
AMEMBASSY LONDON
AMEMBASSY OSLO
AMEMBASSY PARIS
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USEEC AND USOECD ALSO FOR EMBASSIES

E.O. 11652: NA
TAGS: ELAB, EALR, ECON, SS
SUBJECT: INDUSTRIAL RELATIONS: VIEWS OO EMPLOYERS'
CONFEDERATION

1. DURING COURSE OF AUGUST 22 CALL AT CEOE (SPANISH
CONFEDERATION OF EMPLOYERS' ORGANIZATIONS) HEADQUARTERS,
LABATT HAD OPPORTUNITY DISCUSS CURRENT INDUSTRIAL RELATIONS
SITUATION AND INTERNAL CEOE MATTERS WITH SECRETARY GENERAL
LUIS SALLERAS AND JULIO SANCHEZ FIERRO, SECRETARY FOR
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LABOR RELATIONS. HIGHLIGHTS OF COMMENTS OF EMPLOYERS'
SPOKESMEN ARE REPORTED BELOW. FIRMLY ESTABLISHED AS
SPAIN'S PPINCIPAL EMPLOYEES' UMBRELLA ORGANIZATION, THE
CEOE NOW CLAIMS TO REPRESENT OVER ONE MILLION EMPLOYERS
WHO ON TURN EMPLOY 70 PERCENT OF THE WORK FORCE (I.E.
ALMOST 10 MILLION WORKERS). IT IS GENERALLY ACCEPTED BY
BOTH GOVERNMENT AND LABOR AS MANAGEMENT'S MOST VALID

SPOKESMAN.

2. ONE OF THE CEOE'S MAIN PREOCCUPATIONS CONCERNS COLLECTIVE BARGAINING. FOR EXAMPLE, IT IS EXPECTED THAT OVER 2000 COLLECTIVE BARGAINING AGREEMENTS AFFECTING 3.5 MILLION WORKERS ARE SCHEDULED TO BE RENEWED BY JANUARY 1979. WHAT WITH SPAIN'S COLLECTIVE BARGAINING SYSTEM DUE FOR A COMPLETE REVAMPING, THE CEOE IS INSISTING THAT THE GOVERNMENT CONSULT WITH THEM BEFORE PRESENTING ITS COLLECTIVE BARGAINING LEGISLATION TO THE PARLIAMENT. (NOTE: THE TRADE UNIONS HAVE MADE THE SAME DEMAND.) RESPONSIBLE COLLECTIVE BARGAINING BY BOTH LABOR AND MANAGEMENT IS AN OBVIOUS PRECONDITION FOR ANY IMPROVEMENT IN THE ECONOMIC CLIMATE. BY THE SAME TOKEN, THE CEOE IS OF THE OPINION THAT UNLIKE THE LAST TIME AROUND, BOTH EMPLOYERS AND LABOR MUST BE INCLUDED IN ANY NEGOTIATIONS TO RENEW THE MONCLOA PACT (WHICH EXPIRES AT YEAR'S END). WHETHER THE POLITICAL PARTIES SHOULD ALSO BE INCLUDED IN SUCH NEGOTIATIONS IS ANOTHER MATTER, ALTHOUGH GIVEN THE CURRENT SYSTEM OF CONSENSUS POLITICS IN SPAIN, THE ANSWER MAY WELL BE YES.

3. THE CEOE WAS ALREADY IN FULL SWING PREPARING FOR ITS SEPTEMBER 25 GENERAL ASSEMBLY, AT WHICH TIME NEW OFFICERS WERE TO BE ELECTED. ALTHOUGH THE CEOE SPOKESMEN PREFERRED NOT TO COMMENT ON THE RE-ELECTION CHANCES OF PRESIDENT LIMITED OFFICIAL USE

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CARLOS FERRER SALAT, IT WAS QUITE OBVIOUS THAT THEY CONSIDERED HIM THE FRONT-RUNNER. THE CEOE WISHED TO CLOSE RANKS AND EMERGE FROM THEIR GENERAL ASSEMBLY PROJECTING A NEW IMAGE OF UNITY WHICH WOULD ALLOW THE ORGANIZATION TO PLAY A MORE IMPORTANT ROLE IN THE NATION'S ECONOMIC POLICY PROCESS.

4. COMMENT. THERE IS LITTLE DOUBT THAT COLLECTIVE BARGAINING IS INDEED ONE OF THESE CRITICAL INDUSTRIAL

RELATIONS TOPICS FACING THE GOVERNMENT. SHOULD THE GOVERNMENT REFUSE TO "NEGOTIATE" OUTSTANDING LABOR POLICY ISSUES -- INCLUDING COLLECTIVE BARGAINING -- WITH LABOR (AND, PRESUMABLY, WITH MANAGEMENT), THEN WE COULD WELL HAVE WHAT SPANIARDS CALL A "HOT AUTUMN" (I.E. LABOR AGITATION) THIS YEAR. HOWEVER, THE RESULTS OF A DIARIO 16 NEWSPAPER POLL (RELEASED AUGUST 22) OF LEADING TRADE UNIONS INDICATE THAT A MAJORITY "PREFER COLLECTIVE BARGAINING TO TENSION", AS LONG AS THE GOVERNMENT CONSULTS WITH THEM.

5. THE DYNAMIC CATALAN BUSINESSMAN/BANKER, CARLOS FERRER,

HAS THIS PAST WEEK BEEN BUSILY MENDING FENCES WITH A NUMBER OF INFLUENTIAL POLITICAL FIGURES INCLUDING SECOND VICE PRESIDENT ABRIL MARTORELL, PUBLIC WORKERS MINISTER GARRIGUES WALKER, FINANCE MINISTER FERNANDEZ ORDONEZ, PCE LEADER RAMON TAMAMES, AND LABOR LEADER (USO SECGEN) MANUEL ZAGUIRRE. FUTURE MEETINGS ARE PROJECTED WITH THE PSOE'S FELIPE GONZALEZ, THE PCE'S SANTIAGO CARRILLO, AND POSSIBLY WITH LEADERS OF THE SOCIALIST UGT AND COMMUNIST-DOMINATED CC.OO.

6. THERE HAS BEEN CONSIDERABLE IN-FIGHTING AMONG THE EMPLOYERS WITH RESPECT TO THE CEOE PRESIDENCY. MANY CONSIDER FERRER TO BE TOO FOND OF THE LIMELIGHT AND NOT RESPONSIVE ENOUGH TO THE DESIRES OF THE SMALLER BUSINESS-LIMITED OFFICIAL USE

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MEN WHO CONSTITUTE THE GREAT MAJORITY OF THE CEOE MEMBER-SHIP. FOR EXAMPLE, IT IS NO SECRET THAT MINISTER OF INDUSTRY RODRIGUEZ SAHAGUN (FORMER CEOE VICE PRESIDENT AND FORMER PRESIDENT OF THE SPANISH CONFEDERATION OF SMALL AND MEDIUM BUSINESSES - CEPYME) HAS BEEN -- AT LEAST UNTIL NOW -- IN THE ANTI-FERRER CAMP. BE THAT AS IT MAY, FERRER REMAINS A STRONG FAVORITE TO BE RE-ELECTED, POSSIBLY WITHOUT OPPOSITION ON A CEOE "UNITY SLATE". FURTHERMORE, THE GOVERNMENT IS INTERESTED IN HAVING A "VALID INTER-LOCUTOR" AT THE HELM OF THE CEOE, AND FERRER -- DESPITE HIS GOVERNMENT-BAITING TACTICS EARLIER THIS YEAR WHEN HE ATTACKED THE TRADE UNION ACTIVITY IN THE PLANTS LEGISLATION

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(SEE MADRID 3985) -- CURRENTLY BEST FITS THE BILL.
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Message Attributes

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